



USDA Foreign Agricultural Service

GAIN Report

Global Agriculture Information Network

Template Version 2.09

Voluntary Report - public distribution

Date: 9/17/2004

GAIN Report Number: IN4100

India

Agricultural Situation

Weekly Highlights and Hot Bites, #36

2004

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Report Highlights:

Imports of "sensitive items" down by 22 percent, *Trade policy in choppy waters*,

Ready-to-eat market growing fast.

Includes PSD Changes: No
Includes Trade Matrix: No
Unscheduled Report
New Delhi [IN1]
[IN]

Welcome to Hot Bites from India, a weekly summary of issues of interest to the U.S. agricultural community. The report includes information that has been garnered during travel within India, reported in the local media, or offered by host country officials and agricultural analysts. Press articles are included in this report. Significant issues will be expanded upon in subsequent reports from this office.

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IMPORTS OF "SENSITIVE ITEMS" DOWN BY 22 PERCENT

The import value of the 300 "sensitive" tariff lines, which include several agricultural products, were down by 22 percent to rs. 460.1 billion (\$10 billion) during the second quarter of 2004, compared with rs. 591.3 billion during the corresponding period of last year. Palm oil and its products were the major items, that contributed to this decline, followed by cotton and silk. Imports of fruits and vegetables, alcoholic beverages, tea and coffee, spices, and rubber registered an increase in value. (Source: Press Information Bureau, GOI, 09/16/04)

TRADE POLICY IN CHOPPY WATERS

The Revenue Department of the Ministry of Finance has decided to stall the implementation of some key elements of the recently announced Foreign Trade Policy 2004-2009 because of differences with the Commerce Department. Among these are the Target Plus initiative, deemed export benefits, and sops for farm exports (*Vishesh Krishi Upaj Yojana*). (Source: Business Standard, 09/15/04)

Post Comment: For the agricultural highlights on the Foreign Trade Policy 2004-2009, please see IN4095.

READY-TO-EAT MARKET GROWING FAST

The still nascent ready-to-eat (RTE) food market in India, estimated at \$11 million, is growing at 30 percent a year. The growing number of nuclear families (families with only the couple and children), a significant increase in the number of single men and women working professionals, and the rising household incomes have opened the opportunity for the RTE food sector. The RTE segment has shown growth with the entry of some leading food companies like ITC, MTR, and Kohinoor. (Source: Business Line, 9/12/04)

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REPORT #	SUBJECT	DATE SUBMITTED
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IN4099	FAIRS Product Specific – Plant Quarantine (Regulation of Import into India) (4th Amendment) Order, 2004	09/16/04

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